North Central Regional Transit District
Board Meeting
Friday, March 1, 2013
9:00 a.m. - 1:00 p.m.

CALL TO ORDER:

A regular meeting of the North Central Regional Transit District Board was called to order on the above date by Commissioner Daniel Barrone, Chair, at 10:00 a.m. at the Jim West Transit Center, 1327 Riverside Drive, Española, New Mexico.

[At 9:00 there were three members present. At 9:15 there were five members present. At 9:20 there were six members present. The seventh member arrived at 10:08]

1. **Pledge of Allegiance**
2. **Moment of Silence**
3. **Roll Call**

Roll call indicated the presence of a quorum as follows:

Members	Elected Members	Alternate Designees
Los Alamos County		*Mr. Philo Shelton III*
Rio Arriba County		
Taos County	*Commissioner Daniel Barrone*	
Santa Fé County	*Commissioner Robert Anaya*	
Nambé Pueblo	*Lt. Gov. Gary Talachy*	*Mr. Lonnie Velarde*
Pojoaque Pueblo		

Ohkay Owingeh		
San Ildefonso Pueblo		
Santa Clara Pueblo		*Ms. Mary Lou Valério*
Tesuque Pueblo		
City of Santa Fé	*Councilor Patti Bushee*	*Mr. Jon Bulthuis*
City of Española		*Councilor Peggy Martinez*
Town of Edgewood	*Councilor Chuck Ring*	
Rio Metro (ex officio)		

Staff Members Present
Mr. Anthony J. Mortillaro, Executive Director
Ms. Glenda Aragon, Financial Manager
Mr. Mike Kelly, Transit Operations Manager
Mr. Jim Nagle, Public Information Officer
Ms. Stacey McGuire, Projects and Grants Specialist
Ms. Dalene Lucero, Executive Assistant

Others Present
Mr. Peter Dwyer, Legal Counsel
Mr. Carl Boaz, Stenographer
Mr. Lonnie Velarde, Nambé Pueblo
Mr. Greg White, NMDOT
Mr. David Harris, NMDOT
Mr. Andrew Martínez, Rio Arriba County
Mr. Craig Barela, Santa Fé County
Ms. Judy Amer, City of Santa Fé [telephonically]

4. INTRODUCTIONS

All present introduced themselves to the Board.

5. APPROVAL OF AGENDA

Chair Barrone recommended switching agenda items D and E to keep action items first.

Commissioner Anaya moved to approve the agenda as amended with item E to be heard before item D. Councilor Martínez seconded the motion and it passed by unanimous voice vote.

6. APPROVAL OF MINUTES

- **Minutes of Regular Meeting on February 1, 2013**

Commissioner Anaya moved to approve the minutes of February 1, 2013 as presented. Councilor Ring seconded the motion and it passed by roll call vote with Town of Edgewood, Los Alamos County, Santa Clara Pueblo, City of Santa Fé, Santa Fé County and Taos County voting in favor, City of Española abstaining and no one voting against.

7. PUBLIC COMMENTS

There were no public comments.

PRESENTATION ITEMS - None

ACTION ITEMS FOR APPROVAL/DISCUSSION:

A. Public Hearing and Consideration of Resolution No. 2013-03 Adding the Nambé Pueblo as a Member of the NCRTD Board

Mr. Mortillaro said at the December 2011 Board meeting, the Board directed him to send invitations out to all entities that were eligible to join the Board. As a result, Edgewood and Nambé expressed interest in joining. The Board approved the Town of Edgewood members. Nambé Pueblo went through their process with a resolution to request membership. He included on page 25 how the voting strength analysis would result if their membership application was approved. Their population would be subtracted from the Santa Fé County population and that would take no votes away from any other member. It would change the percentages but not affect the number of votes the other members have presently.

Councilor Bushee reflected that the Santa Fé City Council at their meeting last Wednesday chose not to sign on to the intergovernmental contract (IGC) related to the addition of Edgewood as a member.

Mr. Mortillaro described the agreement. The IGC was sent to all members when the voting strength for Española increased because the census showed they gained population and Edgewood was added as a new member with one vote.

Councilor Bushee read into the record the resolution that she introduced to the Governing Body that she believed reflected their thinking. It was a resolution authorizing the City Council's delegate to the NCRTD to introduce an amendment to the NCRTD charter to allow new members only as non-voting members. The concern she explained was that as new members come on board it dilutes their voting strength. The City has 5 votes and no opportunity to increase that amount. She understood that the NCRTD "tinkered" with the population aspect but the City has no possibility, unlike the County to add new voting members. So there was a concern and the approval of the resolution was unanimous. So she was just trying to reflect her Governing Body's concerns and this is how they would like to see additional members come onto this board.

Mr. Dwyer said he had talked with Judy Amer who contacted him after the Finance Committee meeting and he also met with Geno Zamora, the Santa Fé City Attorney.

Ms. Judy Amer called in on the bridge at this time.

Mr. Dwyer thanked Ms. Amer for calling him. He had spoken with her and sent her information and talked with Ms. Amer and Mr. Zamora on Monday. He had concerns because the IGC had to be executed to be part of the organization. There were others who hadn't signed it. When Taos County had been on the fence they were not allowed to be part of the executive session and also when Santa Fé County considered withdrawing. NCRTD did not consider them being a full member at that time when they were uncertain whether they were in or out.

The City of Santa Fé has declined to continue being a member by choosing not to sign the IGC. The record should show that at the September 2012 meeting the City of Santa Fé voted to have the Town of Edgewood be a member with vote and the vote on that motion was unanimous. They have met their requirements and the action of City of Santa Fé now has basically repudiated their membership by saying they did not want to be a party to this anymore. He hoped the Chair could meet with their representatives to work this out and keep them as members of the NCRTD.

He was also worried about having a quorum and what the voting requirements were for today because the City of Santa Fé has said they don't want to execute the IGC. They could not veto the majority vote of this Board or to revisit the meeting from September and recast their vote from September. The City of Santa Fé did previously vote for this IGC at that meeting. He wasn't sure how to reconcile those two actions - their prior decision was yes, that Edgewood was a member, and now it is that they won't approve adopting the document that reflects that membership.

Ms. Amer understood what Mr. Dwyer was saying. The City, when they voted not to sign the IGC they did not intend at all to not be a member of the NCRTD and no one advised them of those implications.

Mr. Dwyer said he went through the IGC and the bylaws and the statutes. It requires that the adoption of the IGC must have a 2/3 vote to execute the agreement and that has not happened.

Ms. Amer felt the City should be given the opportunity to reconsider their action. No one ever phrased it to the council in those terms. Maybe they were not doing it in the right way but they were trying to express their point that they did not like the idea of adding more voting members.

Mr. Dwyer clarified there was a way to address that by addressing the full Board with a proposal to change the IGC. He had sent a red line copy of the 2010 proposed amendment to the IGC which would essentially have done that kind of thing. It would have put in very stringent requirements for additional members and it was soundly rejected. At another former Board meeting the City of Española, Robert Seeds in his rejection of that idea said he stood strongly on the principle that the NCRTD should not only allow anyone within the District to join but should send out solicitations for people to join which the Board then did. So the actions of this Board have not been in accord with the Santa Fé City resolution and the staff has followed the majority will. The Board was following the statutes which required a 2/3 majority in order for new members to be added and also following the IGC and bylaws in saying that all the members have to execute these IGC's after the vote has been taken.

Perhaps the City didn't realize the impact of passing their resolution and Chair Barrone would be happy to meet with the City about this and try to get it worked out because he believed there was never any indication that the Board for the City of Santa Fé did not want to be an active member.

But it presented a problem today for Mr. Dwyer. The Board either had a quorum or they didn't. He did not want a year to go by and someone come back to say those votes today were null and void because the City of Santa Fé wasn't officially a member because of their refusing to sign the IGC.

Ms. Amer noted there were several others who had not signed the IGC amendment and might sign it a year from now. But she felt a lot of things Mr. Dwyer was saying could be true for them - especially if at the next council meeting they revisit the issue and decide to make their point another way after signing the amendment. And for today, if Councilor Bushee says she was willing to bring it back before the Council, the City of Santa Fé could continue to vote on motions at this meeting.

Mr. Dwyer countered that had not been the precedent in the past. When Taos County took the same position they were not allowed that opportunity nor was Santa Fé

County and it wouldn't be fair to treat the City of Santa Fé differently. It seemed to be hard for Santa Fé County and City of Santa Fé to realize this is a regional body and the city and county are members who cast their votes along with everyone else. For the representative to go back and tell their body how to vote was not the way it worked. And the problem has to be worked out. It would be unfair to Taos to allow Santa Fé City to remain a member when they have taken this action. And it would be unfair to not allow Edgewood to vote today because Santa Fé had not signed the amended IGC.

Councilor Bushee said that wasn't what the Council was doing.

Mr. Dwyer countered that the only thing in the amendment was adding Edgewood as a member. That was the only change. Edgewood has been a good member. They went through the process and have been participating.

Councilor Bushee argued that there was no belligerence here. But that was what she felt coming from Mr. Dwyer. Her governing body felt adding Nambé as a voting member diluted the City of Santa Fé's vote. She was not here for that vote (on Edgewood) but she was bringing notice from their governing body back to the Board. She said Mr. Dwyer was given that notice by Ms. Amer and he didn't sit down and have a chat with her.

Mr. Dwyer said he talked with her twice.

Councilor Bushee said the discussion took place this last Wednesday. Her point was that if there was no limit to the number who could join the Board with a vote, the Council had a great concern that their vote would be diluted. This was an ever evolving body with new members coming and going and often there was no quorum. She understood the NCRTD procedural interest in trying to grow this body but it was a concern to her governing body right now that it would dilute their vote. But there was no intention on their part to say they didn't want to participate. They hoped there would be a consideration for having new members not having voting powers. She had to represent her Council's position here.

Mr. Dwyer said it was not a decision for the City of Santa Fé. The decisions were made at these meetings by this body. So the Council of the City of Santa Fé had no business trying to amend the IGC at a City Council meeting where the other Board members were not present.

Councilor Bushee clarified that there was no attempt to amend the IGC. There was a resolution moving through the City Council expressing their opinion through their representative. She reminded him that she didn't try to put anything on this agenda to amend anything.

Mr. Dwyer said that was what she should do - present it to this body. The Staff had presented similar alternatives but the votes had not been there for them.

Councilor Bushee said perhaps they needed to revisit that. Mr. Dwyer agreed.

Councilor Bushee said today she would just express her vote.

Commissioner Anaya said he had a lot to say but start with Commissioner Mayfield. He talked with Commissioner Mayfield by phone and expressed to Nambé Pueblo and this Board that both he and Commissioner Mayfield were the ones who pressed this issue on the logistical process for adding a new member and we had extensive discussions in several meetings and encouraged Mr. Mortillaro to pull the minutes of those meetings as a basis for all of us to revisit those discussions.

From Commissioner Mayfield's perspective and his own, Commissioner Anaya said they supported adding Edgewood and Nambé and any other entity that was eligible to come onto this Board. He wanted to convey that to Nambé and the Board.

Prior to the inclusion of Edgewood, the Governor of Nambé said at that time he was not interested in sitting on the board at that time and requested a route stop at Nambé which the Board addressed and determined it made sense to serve the pueblo. Every entity in the region was sent that letter of invitation. He had articulated the Edgewood request to the Board of County Commissioners and they were happy to see the Town of Edgewood sitting at the table.

He dared not speak for anyone else and respected Councilor Bushee having this discussion with the Council and the Council reflecting their dissatisfaction. That was her prerogative as an elected City Councilor. He differed with their perspective that another voting member diluted voting capacity. His opinion as Santa Fé County representative was that it was not a dilution but actually an enhancement of voting.

He didn't think the intention was to maliciously or in a begrudging way remove themselves from membership. But he stood in full support of extending the invitation to any entity and if the Board so chooses, that it comes down to who was sitting at the table at time of the vote and their perspective and will at that time.

He would defend their right to join the Board for the region. Every member was entitled to their perspective.

Ms. Amer said she looked at the statute and the IGC that specifically said the only way to withdraw as a member was per statute 73.25.17 which specifically stated that a governmental unit that was a member of the District may withdraw from the District by adopting a resolution to withdraw. The governmental unit shall withdraw from the Board and the provisions of the withdrawal shall be negotiated by the governmental unit, the Board and the Commission. So she didn't think you could say the Council had passed a resolution to withdraw so they haven't withdrawn.

Mr. Dwyer said he had not said they had withdrawn and he was very optimistic. He hoped Councilor Bushee understood he didn't believe there was any animosity by this organization towards the City of Santa Fé. He fully anticipated this would get worked out and Santa Fé would continue to be a member. In the past it had been a struggle to get entities to remain a member; not the other way around. There was no push to kick them out. But it says the entities must approve a new IGC whenever a new member was added whether voting or non-voting. The Board followed the protocol when adding Rio Metro as a non-voting member. There was nothing explicitly said when an entity refuses to sign the contract. He considered them on the fence in that circumstance and felt it would be wise not to count their vote until the matter was resolved. But he did expect the City of Santa Fé would continue to be a member.

Chair Barrone thought the protocol to follow probably was not followed and should have brought the issue to this agenda to either allow members to be accepted with votes or without votes. But he didn't think there was a problem with votes today - just a misunderstanding.

Councilor Ring said in looking back at members coming in, there were about seven who came in with just one vote each and the rest of the members collectively had 25 votes. It would be hard for 7 little votes to impact those 25 votes. Edgewood actually voted down the referendum for Santa Fé County to be a member and then Edgewood voted to be part of the entity with what its weighted vote would allow.

He thanked Commissioner Anaya for supporting Edgewood's membership. He fully supported the membership of Nambé. He thought he understood Santa Fé City's concern but it was more worrisome than it needed to be.

Councilor Bushee clarified that she didn't bring up this issue but it came up at the City Finance Committee which she served on. It got tabled because Jon Bulthuis was not available to discuss it. Councilors that served on the Transportation Advisory Board had followed the issue with that board and had great concerns. She was just expressing the unanimous vote of the Council and didn't intend to try to alter today's agenda or introduce anything new but wanted to explain where her governing body was coming from. She believed in regional efforts and welcomed Nambé Pueblo but she felt the new members had "no skin in the game" by way of tax revenues. She spoke with the previous Santa Fé County representative, Commissioner Holian, who had a little different view. She was just reflecting the concern from the City that that they had enormous skin in the game as far as resources and revenue were concerned. If NCRTD continued to add new members to grow the quorum capacity, certainly they amplify Santa Fé County's presence but they are not contributing in terms of revenue and that was where the City's concern because they had no ability to add new membership. She said the Council thought it was a pro forma thing and didn't know those implications.

Commissioner Anaya said one of the primary reasons Edgewood was sitting at the

table was that there was a financial production of tax base that comes directly to this body that was generated within Edgewood. Relative to financial production, he could see a day within the next 10-15 years when the Town of Edgewood might become the largest city in Santa Fé County. He agreed to forward the actual tax base within the Town of Edgewood so that the whole Board could have the benefit of those numbers. So they do have skin in the game. There was absolutely a tax base there that was directly correlated to the businesses that come to this body-

Councilor Bushee agreed and it fell under Santa Fé County and the population of Santa Fé County as she guessed revenue that came from the actual residents of the City of Santa Fé and that would show that the City of Santa Fé had the biggest number.

Mr. Dwyer said the statute defined what could be a member and allowed tribes, pueblos, municipalities and counties to be members and the referendum was of counties because the tax base was all subsumed under the counties. He understood Councilor Bushee's concern regarding the weighted votes. Voting strength subtracts population from Santa Fé County for Edgewood's vote and for Nambé's vote. But the RTD was not just counties and he didn't support going back to that. Concerns should be raised here at the Board. It was more helpful to hear directly from the representative here at the board meeting because otherwise other Board members were excluded.

Commissioner Anaya responded that any entity represented at the table had a right to do what they wanted to do. He agreed it was best to have the discussion around this table but to suggest the member entity wouldn't have discussion on an issue within itself or to make resolutions was ludicrous. They always have the autonomy to have those discussions and independent decisions. What the Chair said was correct. There was a protocol. The opinion was an opinion. The members had an obligation that they needed to sign the document and if not then there was conflict. He thought the process followed with Edgewood was legal and binding and now the Board would soon have a chance to vote on another member.

Councilor Bushee clarified this was raised by the IGC going to Council for signature. She didn't come here to try to change any of the procedures but just to reflect the will of the Council so she would likely have to vote against the new membership. She didn't know how else to address it. The City of Santa Fé was going to debate what they would debate.

Chair Barrone said if the Santa Fé Council wanted to bring something to the Board the Board could consider it.

Mr. Velarde said Nambé had a tremendous stake in the game in how entities got their 5310 federal funding. Nambé was a member of the Northern Pueblos Regional Planning Organization and they voted on how the RTD gets its funding. It would benefit the Nambé community their people tremendously.

Lt. Governor Talachy said in listening to the discussion he wondered if the City of Santa Fé didn't have a vote now.

Chair Barrone declared they did have a vote because the resolution was not an intent to not be part of the organization but because of a misunderstanding.

Mr. Shelton asked how many invitations were still outstanding.

Mr. Mortillaro said the list included the Town of Taos, Taos Pueblo, Village of Questa, Town of Red River, Jicarilla Apache Tribe, Picuris Pueblo and Town of Chama. So there were seven and they were small.

PUBLIC HEARING

There were no public comments and Chair Barrone closed the public hearing.

Commissioner Anaya said, based on the comments of Commissioner Mayfield and in the interest of inclusion, he moved to approve the membership of Nambé Pueblo to the NCRTD Board. Councilor Martínez seconded the motion which passed by roll call vote with Town of Edgewood, City of Española, Los Alamos County, Santa Clara Pueblo, Santa Fé County and Taos County voting in favor and City of Santa Fé voting against.

The tally of weighted voting units yielded 17 in favor and 5 against which exceed the 2/3 majority needed.

Chair Barrone welcomed the Pueblo of Nambé to membership and Lt. Governor Talachy to his seat at the Board table. He invited Lt. Governor Talachy to address the Board.

Lt. Governor Talachy said this was his first year of his two-year term. Nambé had 600 enrolled tribal members and 400 residing on the pueblo. They wanted to dedicate themselves to the work of the NCRTD and to be present for all the meetings. Nambé was willing to be a responsible and active member.

B. Review and Adoption of Resolution No. 2013-04 Amending the Financial Policies

Mr. Mortillaro said Resolution 2013-04 amends the existing financial policies. On page 33 it showed the allocations of GRT revenue. The policy was termed the Los Alamos policy and was used to distribute to entities providing regional services. Atomic City and Santa Fé Trails were the regional providers and the amended policy then recognized the Rail Runner would get 50% of GRT collected in Santa Fé County.

The remainder of the GRT revenue coming to NCRTD was for services provided in the counties. The Board utilized this methodology in 2012 and 2013 budgets. It worked well and allowed the existing service plans the Board approved for the City of Santa Fé and Los Alamos County to be funded on an ongoing basis and allowed them to plan for it. It also did the same for the routes provided by the NCRTD.

Page 37 at the bottom showed the new funding formula and on the top of page 38 what would be done if the revenues were not all realized. The District has taken the hit in the past. This amendment presents an across the board reduction if revenues decline.

The NCRTD could use its reserves for District uses only and other entities would have to find other sources to make up the differences. Those were the changes to the policy.

This amendment followed what had been utilized in the past and past discussions. The Long Range Planning Committee included representatives from Los Alamos County and the City of Santa Fé to use this methodology into the future.

Councilor Ring asked for correction of Taos Chili Line to Taos Chile Line.

Councilor Bushee thanked the Board for the figures so they could put their CAFR together. She asked what the reserve policy was.

Mr. Mortillaro said it was on page 41 at the bottom. It was a 25% policy for the reserve fund.

Councilor Bushee thought that was a high reserve.

Mr. Mortillaro said this Board has the right to amend the policy.

Mr. Dwyer clarified that some of the reserves (from Los Alamos) were not subject to change.

Mr. Mortillaro agreed. There was about $700,000 in the reserves from Los Alamos and if used it would have to restored within 180 days. It was a revolving operating reserve account

Councilor Bushee asked if Taos Chile Line was a regional provider.

Mr. Mortillaro said they received no funding from the NCRTD but they interconnected with NCRTD. They could be eligible to be funded. The Board spent a good year defining what regional services were.

Councilor Bushee moved to approve the amendment to the Financial Policies.

Commissioner Anaya noted the policy had changed since he was gone from the Board which had been that the interest of the NCRTD was to roll in the revenue without securing allocations to any particular entity and it would be up to the Board to evaluate needs and then allocate funding. This amendment didn't do that and he asked for an explanation about it.

Mr. Mortillaro said it did lump everything together. The 40% for the District was almost enough to cover all services for Santa Fé County and for Taos County and Rio Arriba County. That was supplemented with federal funding. One of the commitments during the election for GRT was that Santa Fé County would have 86% of revenue after the Rail Runner deduction. Once Santa Fé Trails was deducted out (roughly $967,000), it left 734,000 available for Santa Fé County but actually the District spends $1.2 million for funding the services in Santa Fé County.

Commissioner Anaya asked if Santa Fé County would get 14% but the county has to bill for it with services provided.

Commissioner Anaya noted the intent of the NCRTD when he was on the Board before was that when routes were evaluated that Board would evaluate all routes throughout the district and get away from guarantees for anyone. Once those carve-outs were done, that left the rest of the members battling for the rest of the money after the 44% was taken off the top. There was one route for which he would have to battle with the other counties because these other entities would get their guarantee of 14% and 20%.

The whole purpose of the board was to get away from that guarantee. So he wondered where he missed the boat and why the Board went in that direction when they decided not to do that. He asked if they were going to evaluate all the routes in the whole district, route by route to determine if these were the best route or if there might be other routes that would fit better. The guarantee didn't do that.

Mr. Mortillaro agreed he was correct to some extent and the way this worked was that the City and the County of Santa Fé through their RPA process would submit the routes they wanted to see funded and give a number for collections after Rail runner was subtracted. That happened a couple of times and then last year, the county submitted its own list of priorities including the Golden-Santa Fé Route if funding was available. LA also submitted their plan and the Board could accept it or request modifications.

The evaluation of all routes last year had only one route that was questioned - the route from Las Trampas and staff agreed to modify that.

When he brought that to the Board it could decide if canceled whether the funds could be reallocated and that was a decision to be made in the future. These

percentages were designed to support existing routes in the counties and provide the existing level of funding that Los Alamos County had developed routes for and the same thing for Santa Fé Trails. So their existing routes could stay in place and no guarantee that any future routes would receive funding.

Commissioner Anaya said just because a route existed in a county didn't mean it was the best use of the funds. The whole point was to evaluate the routes for function and connection with regional routes. From a Santa Fé County perspective the tax was approved by Santa Fé County voters and not by the City. If they were going back to all the articulations of data and put the will of the Board around this table on evaluation of the routes effectiveness. He was not comfortable with any guaranteed allocations and did respect the Councilor from Santa Fé and many of these affected his constituents. He also respected what Los Alamos did with their routes and respected their integrity.

Commissioner Anaya offered an amendment to remove those allocations.

Mr. Mortillaro said although the City of Santa Fé and Los Alamos County were required to submit their transit plan to this Board and what they would fund for their allocation, this Board has the right to accept them or not. On page 37 were the criteria for those definitions.

Commissioner Anaya understood but questioned that these two entities were guaranteed their allocation.

Mr. Mortillaro said it was not guaranteed and until the Board approved their service plan those routes didn't get funded.

Commissioner Anaya said this plan guarantees an allocation of dollars to those two entities as a carve-out. And he wanted it all put in to one pot with no carve outs.

Mr. Dwyer agreed with the history on that. Santa Fé Trails and Atomic City wanted assurance for funding.

Commissioner Anaya said Santa Fé County also wanted that agreement.

Mr. Dwyer said there was no agreement in place with any of them. Los Alamos continues to give money with the understanding of it funding for their services. The ultimate authority for all financial transactions was decided by this Board ultimately. The RTD was a separate entity from all member entities. This body would always approve a budget for allocation and not by contract. This was a compromise of some assurance.

Commissioner Anaya thought it was ironic they were having this discussion now. All routes should be considered and evaluated on an ongoing basis. He asked the members to consider an amendment of no allocation but through evaluation by the Board of all routes.

Mr. Mortillaro re-emphasized the first line above the chart that said services had to be approved by this Board. They still had to turn in billings to justify the expenditure of the allocation. The entity would only get what was spent on those routes. And it happens once a year prior to budget.

Councilor Martínez seconded the motion to approve the amendment to the financial policies.

Councilor Bushee said from her understanding, the City was not objecting to a non guarantee and would continue to discuss it here. But the City had to address their CAFR and could not submit a budget to the state without knowing the allocation. It was a projection and times do change. So the Council looked at the reserve requirement. They had to have some formula by which to project a budget and that's what their Finance Director needed. The City expends much more than it gets here.

Lt. Governor Talachy said no transit system makes money. They spend way more than they receive so it was always in a deficit. He asked if there was a formula that everyone who puts into the pot gets some back.

Mr. Mortillaro said for a long time they looked at what the county put in and how much they got back. This was a region and not a county. The $1.5 million contribution from Los Alamos County which they were contributing was over and above what their GRT was. He provided a handout that showed that Rio Arriba received more services than what was put in. Santa Fé County was a winner also with more services funded than what was required.

The Board agreed to a consolidated budget to get away from that concept.

The Transit Service Plan addressed a listing of all routes needed and some were not funded for lack of money. They were going to update it and consultants would recommend which should be retained, which should be amended, which should be added and which should be deleted. When the service plan comes back, the Board would consider the budget.

Mr. Mortillaro explained the handout that showed collections and expenditures by county. The deficit was $654,497 which was made up from reserves. The allocation formula showed they were still short and required a Los Alamos contribution to continue to provide continued services. New requests could be considered if the Board had more funds. Any money reoccurring and unallocated would go into reserves for use in other services.

This was recommended to the Board in FY 11 and FY 12. And he embedded it into the financial policies

Mr. Shelton pointed out that Los Alamos reports ridership every month as did Santa

Fé. This was part of the annual allocation. One thing that caught him by surprise was that he thought the amended language should have gone to the Finance Committee first. He thought this proposal was fair and showed what happens with shortages but not much with surplus. He had no problem with the proposal but it didn't go to Finance subcommittee.

Commissioner Anaya said his amendment was not considered yet.

Chair Barrone said he didn't call for a second.

Mr. Dwyer said there was no motion.

Councilor Bushee again moved to approve the resolution. Mr. Shelton seconded the motion.

Commissioner Anaya moved to amend the motion to have all the resources in one pot of money and no allocation. The motion to amend died for lack of a second.

Mr. Bulthuis said they did have contractual obligations to the Rail Runner.

Councilor Bushee liked that additional revenues went into reserves.

The motion passed by roll call vote with Los Alamos County, City of Santa Fé, Taos County and City of Española voting in favor; Town of Edgewood, Santa Fé County voting no; Nambé Pueblo and Santa Clara Pueblo abstaining.

Mr. Dwyer looked for but couldn't find the policy regarding abstentions.

In the tally there were 12 weighted votes in favor and six not in favor so the motion passed.

C. Commercial Advertising Bid Award for NCRTD Transit Advertising

Mr. Nagle reported the award of advertising contract and briefly described the services which would allow for advertising on NCRTD property. It was determined the costs versus generated return would be to the District's benefit. The proposal was to contract with Templeton Marketing Services, a firm based in Albuquerque and their principal, Don Templeton, was present. It would be a revenue sharing agreement which was a fairly standard arrangement. He referred the Board to page 87 that described Mr. Templeton's experience. The projected revenue sharing over first four years was shown in a table and described a 50/50 sharing of gross revenues excluding production costs which would be borne by the advertising company. It would be a three-year agreement with a possible one -year extension. The proposal was in the packet starting on page 70.

Commissioner Anaya moved to approve the award for advertising as presented. Chair Barrone seconded the motion.

Councilor Martínez asked about termination provisions.

Mr. Mortillaro said they had not drafted the contract yet but would reserve the right to terminate for nonperformance.

The motion passed by unanimous roll call vote with Town of Edgewood, City of Española, Los Alamos County, Nambé Pueblo, City of Santa Fé, Santa Fé County and Taos County voting in favor and none voting against.

E. Award of Service Plan Update

Mr. Mortillaro said the past service plan was updated in 2008 and had a 5 year life so the NCRTD needed a new one this year.

There was $150,000 budgeted to update the service plan. They issued an RFP and got three proposals. One was deemed to be not meriting further consideration and the remaining two went to a panel of Stacey McGuire, Mr. Mortillaro, Mike Kelley, and Erick Aune (from Santa Fé County). Based on interviews the panel recommended the KFH Group. They were utilizing a local contractor to help with the public participation process. A number of meetings would be done throughout the region. There was an addendum with an added meeting in La Cienega. The panel recommended contracting with KFH Group.

Commissioner Anaya moved to approve the contract with KFH Group with the additional meeting in La Cienega, to authorize the Executive Director to execute the contract in the amount of $149, 670 not inclusive of GRT and to set a project budget amount of $173,170 which included GRT and an additional amount of money for possible additional public meetings if needed and authorize the Executive Director to enter into the contract with NMDOT because they were contributing $120,000 to the project. Councilor Ring seconded the motion and it passed by unanimous roll call vote with Town of Edgewood, City of Española, Los Alamos County, Nambé Pueblo, City of Santa Fé, Santa Fé County and Taos County voting in favor and none voting against.

At 12:02, Commissioner Anaya, Lt. Governor Talachy, Councilor Bushee, Ms. Valério and Mr. Bulthuis excused themselves from the meeting. Mr. Velarde took Lt. Governor Talachy's place as alternate.

D. Presentation and Discussion of Marketing Efforts and Strategic Plan

Chair Barrone thought this presentation should be postponed to the next meeting.

Mr. Nagle agreed.

There was no quorum to amend the agenda.

DISCUSSION ITEMS

F. Financial Report for February 2013 (Glenda Aragon)

Ms. Aragon presented the financial report and she explained the last payroll of the month was not included. (Feb 22) she provided highlights for revenue, expenditures including operations, administration and capital outlay

Mr. Mortillaro commented that they were spending at a slower pace than normal as a result of decreased revenues and expenditures freezes discussed last month. If revenues didn't deteriorate further the District would be right where they anticipated they would be.

G. Finance Subcommittee Report

There was no Finance Subcommittee Report given.

H. Tribal Subcommittee Report

There was no Tribal Subcommittee Report given.

I. Executive Report for March 2013 and Comments from the Executive Director

1. Executive Report

Mr. Mortillaro referred to his printed report in the packet. They recommenced negotiations with the union which was not ratified so they came back to renegotiate. They met one time and had a tentative agreement after the meeting and the union would seek ratification with the new changes.

The Board approved bus purchases. The District received a protest from a high bidder and was in the process of providing that bidder a letter and would deny the validity of his protest and the timing of it as well.

Regarding the auction of equipment they took the hard drive out. Printers and copiers did not require wiping according to the District's information technology contractor. Their memories were very short term.

The IGC's needed to be turned in when signed. They would mail out new ones based on today's board actions.

Mr. Dwyer said they could amend the IGC to include Edgewood and Nambé and the Española change.

Councilor Martínez said Española could deal with them at the next council meeting if she could get a copy.

Mr. Mortillaro agreed to bring the discussion of whether the Board packets should go all electronic with board materials on the next agenda.

Chair Barrone agreed with that.

2. Performance Measures

This was not considered.

3. Ridership Report for February 2013

This was not considered.

4. Legislative Update

This was not considered.

MATTERS FROM THE BOARD

Mr. Shelton said they had their Main Street evaluation yesterday and a dignitary rode on the trolley.

MISCELLANEOUS

There were no miscellaneous items.

ADJOURN - Next Board Meeting: April 5, 2013 at 9:00 a.m.

The meeting was adjourned at 12:21 p.m.

Approved by:

Daniel R. Barrone, Chair

Attest:

Geoffrey Rodgers, Secretary

Submitted by:

Carl Boaz, Stenographer